Northern Alberta Development Council

Northern Alberta Into the 90's

Position Paper

1991

92-00908/

Northern Alberta into the '90s

A Position Paper on Northern Development

Northern Alberta Development Council
August, 1991

Table of Contents

Overview 7

1991 Position Paper on Northern Development 8

Development Philosophy 8

Roles and Responsibilities 9
- Communities 9
- Business 9
- Federal and Provincial Governments 9
- NADC 9

Development Challenges and Priorities 10

People & Community 10
- Health and Social Services 11
- Education and Training 11
- Community Recreation 11
- Native Communities 11
- Youth 12

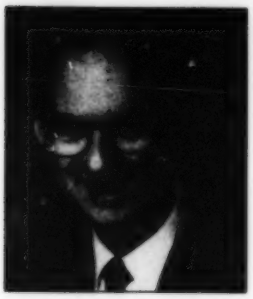
Environmental Protection and Enhancement 12

Northern Economy 13
- Tourism 13
- Agriculture 13
- Oil & Gas 14
- Forestry 14
- Fishing 14
- Wildlife Industries 14
- Small Business 15

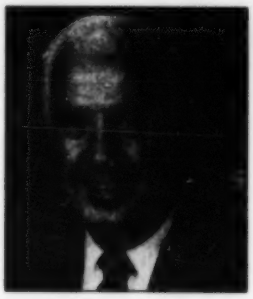
Northern Infrastructure 15

Northern Alberta into the '90s 16

Northern Alberta Development Council (1991 - 92)

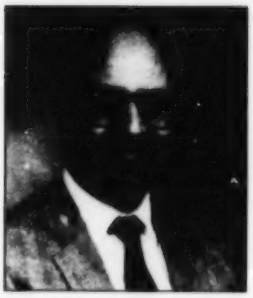


Bob Elliott, MLA
Chairman
Beaverlodge



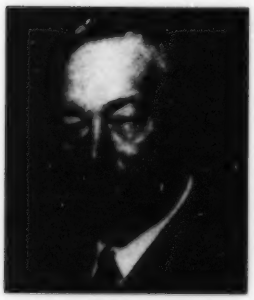
Hon. Al "Boomer" Adair
Minister Responsible for
Northern Development
Peace River

Gilbert Balderston
Deputy Chairman
Sexsmith

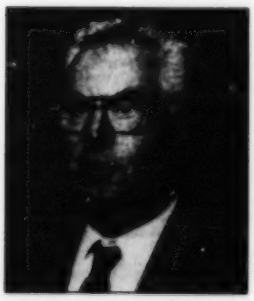


Saran Ahluwalia
Cold Lake

Pearl Calahasen, MLA
Grouard

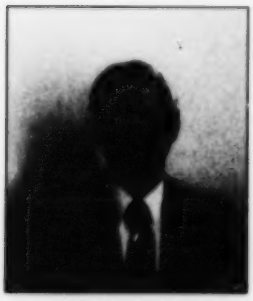


Earl Dionne
Fort McMurray



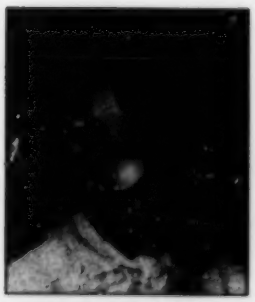
Harold Junck
Swan Hills

Larry Langager
St. Paul

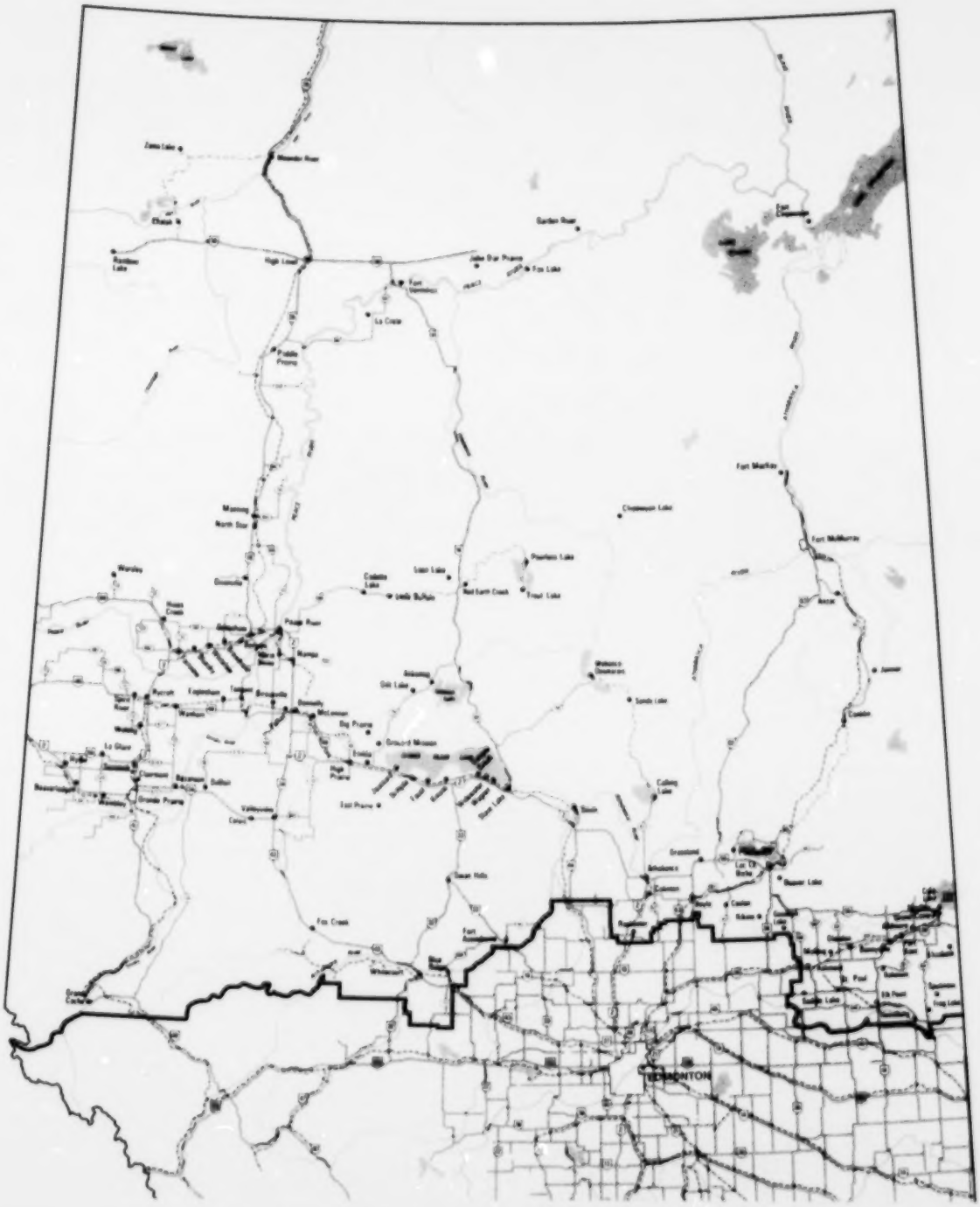


Jack Newman
Fort Vermilion

Marlin Sexauer
Whitecourt



Daria Wallsten
Slave Lake



NORTHERN ALBERTA DEVELOPMENT COUNCIL AREA

COMMUNITIES WITH POPULATION OVER 75 (1981 CANADA CENSUS)

PRIMARY HIGHWAY — SECONDARY ROAD — LOC ROAD — RAILWAY

PRODUCED BY PROVINCIAL MAPPING SECTION, LAND INFORMATION SERVICES DIVISION, © 1986

Alberta
NORTHERN ALBERTA
DEVELOPMENT COUNCIL

2nd Floor, Provincial Building, 9621 - 96 Avenue, Postal Bag 900-14, Peace River, Alberta, Canada T8S 1T4 403/624-6274 Fax 403/624-6184

August, 1991

The Northern Alberta Development Council is pleased to present this 1991 position paper on northern development.

A significant number of briefs submitted to the Northern Alberta Development Council in the recent past have stressed concerns regarding the challenges faced by northerners in the new decade. In response, the Council recently sponsored research and hosted a major conference so that key development priorities as well as the needs of northern Albertans could be examined in some depth. The considerable information that was collected has been analyzed and compiled into this position paper.

Northern priorities have been identified in four broad areas: people and community, environmental protection and enhancement, northern economy, and northern infrastructure.

The NADC trusts that this position paper addresses the major development priorities that face northern Alberta as the province moves into the '90s.

Bob Elliott, MLA
Chairman

Overview

The Northern Alberta Development Council (NADC) was established in 1963 as a five-member advisory group for government. Ten years later, through the Northern Alberta Development Council Act, Council's size was doubled to 10 members. The Act gave the NADC the responsibility to "investigate, monitor, evaluate, plan and promote practical measures to foster and advance general development in northern Alberta and to advise the government in matters respecting:

- social and economic development
- development of communities
- development of government services and programs to meet the needs of northern Alberta

Since its reorganization in 1973, the NADC has received more than 2300 briefs from northerners on a variety of issues related to northern development. Based on these submissions, Council has initiated more than 125 major research studies and program reviews. These have resulted in numerous submissions to the Alberta Cabinet recommending initiatives to help the region achieve its development potential.

In November 1990, the NADC held a major conference in Grande Prairie on the future of northern Alberta. Several common themes emerged during the conference about development in the north. These include the need for:

- greater sensitivity to the unique needs and concerns of northern Albertans and the diversity of communities within the region
- recognition of the importance of environmental protection and enhancement in guiding development decisions
- full consultation with communities on future development in the region
- improved cooperation and coordination among agencies that provide services to people and communities
- special attention to the development disparities that exist in the region
- improvements in northern infrastructure to promote economic development and improve the quality-of-life of northerners
- economic diversification as a means of stabilizing the economic base of northern communities

These ideas reinforce the views of northerners expressed at recent NADC public meetings. They also reflect Council's own opinion on the development needs of the north.

In response to a request from the minister responsible for northern development, Hon. Al "Boomer" Adair, the NADC has assembled its priorities for the 1990s into the following position paper on northern development.

1991 Position Paper on Northern Development

In 1977, the NADC released a position paper on northern development which identified several key economic and social principles to guide development in Alberta's north. While many of these are still applicable, other issues and concerns require attention. The purpose of the 1991 position paper is therefore two-fold:

- to describe some of the key development priorities of the north as we enter the 1990s
- to foster increased awareness of the needs and concerns of northerners

Although the 1991 position paper reflects the opinions of the 10 members who make up the NADC, the document is a product of Council's ongoing efforts to gain input from northerners on future development in the region.

The position paper is organized into three parts beginning with a brief description of the current development philosophy of the NADC. The paper next reviews the changing roles and responsibilities of those involved in promoting northern development. It then summarizes northern priorities in a number of areas.

Development Philosophy

Like all resource economies, Alberta's north depends on the wise use and management of its renewable and non-renewable resources. Northerners recognize that protection and enhancement of the natural environment are priorities for the region and that economic development should not be at the expense of the environment.

Recently, much discussion concerning the future of the north has centred on the concept of *sustainable development*. While definitions of sustainable development vary, most are based on the principle that greater attention must be paid to the impact of current development decisions on future generations. Central to this philosophy is the view that maintenance of a healthy natural environment is essential for long-term economic and social development.

The NADC believes that the concept of sustainable development should form the basis of development decisions in the north. Several aspects of sustainable development are particularly relevant to the region. These include the need to:

- fully integrate environmental concerns into all aspects of community and economic development
- recognize the importance of public consultation and education as a basis for development policy
- manage our natural resources in a manner that promotes long-term community stability and maintains cultures and lifestyles

While sustainable development provides a useful framework for setting future direction, it is important not to lose sight of the fact that much of what we call development involves provision of services to people and communities. Issues related to meeting the ongoing needs of northerners in areas such as education and health care form the bulk of the briefs presented to the NADC. Addressing these issues will continue to be a priority of Council.

Roles and Responsibilities

The NADC applies its development philosophy through its work with communities, business and government to promote northern development. Over the years, the roles and responsibilities of each group have evolved to meet the changing needs of the north. Understanding the perspective of each group is vital in designing workable strategies for addressing the region's development needs.

Communities

In the past, northern communities often lacked the skills necessary to achieve their development goals. However, over the years, communities have been increasingly able to take positive actions without depending on other levels of government. Those communities which have been most successful recognize that assessing their own needs is a key step in promoting local development.

While planning is important, northern communities must be realistic in setting their development goals. Not all services or economic activities can be supported in every community. In the future, there will be an increasing need for communities to work together to develop new industries and to improve local services.

Business

While communities can do much to promote economic development, it is up to business to take advantage of investment opportunities. Very often, individuals, companies and lenders must take risks to develop new products or services. Northerners can help reduce these risks by actively supporting local businesses.

Those businesses most valued in the north understand the importance of returning to nearby communities some of the economic benefits from development. This includes hiring local residents, buying goods and services from local suppliers and supporting community enhancement projects.

Federal and Provincial Governments

The federal and provincial governments have a key role in supporting northern development. Because of the diversity of communities in the north and the disparities within the region, it is important for government to work closely with communities to seek locally relevant solutions. Continued efforts to decentralize decision-making and improve service delivery through increased coordination are central to these efforts.

Along with supporting local initiatives, senior government can also help northern communities through programs that encourage development throughout the entire region. These include both employment programs that enable the workforce to take advantage of development opportunities and industrial development programs that facilitate investment in the north.

NADC

Historically, the NADC has played an important role in supporting northern development. Council works on behalf of northerners to help government departments adjust their programs and policies to better reflect the unique needs of the region. It does this by holding regular public meetings throughout the north that provide residents with an opportunity to express their views on development issues. Frequently, briefs received by the NADC require intensive background work before recommendations can be made to government. In many cases, the NADC will commission studies or hold conferences to gain a better understanding of the issues.

In the future, Council sees an increasing role for itself in improving communication and cooperation among communities, business and government. As an advisory group without a programming function, Council is in a unique position to work on behalf of northerners on matters affecting the region.

Development Challenges and Priorities

Northern Alberta has changed significantly in the past 20 years. Resource developments have caused new communities to be established and made existing settlements larger. During this period, improvements in telecommunication and transportation have de-isolated many northern communities. Significant advances have also been made in the areas of education and local government.

Despite these changes, there are still several persistent development challenges. These include:

- Personal incomes in the north average 20% below the rest of the province. Only five communities in the north have personal incomes above the provincial average.
- Many small communities, particularly native ones, have not fully benefited from the economic growth that has characterized the region over the past 20 years. These communities experience living conditions well below average for northern Alberta.
- As a resource economy, northern Alberta is vulnerable to cyclical booms and slumps in the demand for its products. The growth or decline of communities as a result of these changes often has a significant impact on family and community life.
- The distances and sparse population in the north create special problems for economic development and public service delivery.

These points indicate that more work has to be done to address the unique needs of northern Alberta. The following sections describe the development priorities of the NADC under four general headings:

- People and Community
- Environmental Protection and Enhancement
- Northern Economy
- Northern Infrastructure

People & Community

Approximately 250,000 people reside in the 60% of Alberta that lies north of the NADC boundary. This represents 10% of Alberta's population. One-quarter of the north's population lives in the two cities of Fort McMurray and Grande Prairie. Another 30% live in its 26 towns while the remaining 45% live in rural communities.

Northern Albertans are of many ethnic origins. Those of western European extraction make up two-thirds of the population. Of these, the majority are of British descent followed by German and French. There are also notable populations of people with roots in eastern Europe and the Middle East.

Roughly 33,000 people of aboriginal ancestry, including status and non-status Indians and Metis, live in northern Alberta. This is roughly 13% of the total northern population. Most northern natives are of Cree ancestry, with smaller numbers of Chipewyan, Dene Tha' and Beaver. All of Alberta's eight Metis settlements are within the NADC area.

The NADC views the diversity of people and communities as one of the region's greatest strengths. In general, the small populations and large distances encountered in the north foster a strong community spirit that encourages cooperative approaches to development. A common theme among northerners is the belief that improvements in the accessibility and availability of services is essential for enhancing the quality-of-life in the north. The NADC believes that future efforts to promote development should strive to ensure:

- that public services, such as health care, education and social services, respond to the special needs and circumstances of each community
- that communities have a vital role in defining the kinds of initiatives that will improve the quality-of-life of their residents
- that fresh approaches be explored to address regional differences in the quality and level of services

The NADC has identified a number of priorities it would like to see addressed in six areas dealing with people and community. These are outlined below.

Health and Social Services

The provision of health and social services continues to be a major concern of northerners. The types of services involved range from medical care and treatment to prevention and counselling. Organizations involved in delivering these services include government departments, hospital districts, non-profit organizations and practising professionals.

Recently, there has been a growing awareness of the need to deliver health and social services in a system that responds to the full spectrum of individual and family needs. This is problematic in northern Alberta where low population and distances have a negative impact on the availability and accessibility of services.

Northern Priorities

- integration of health services at the local level to ensure that services are delivered as efficiently and effectively as possible
- continued efforts to encourage health professionals to establish in the region
- expansion of programs dedicated to helping northerners pursue a career in health care
- greater efforts to ensure that delivery of health and social service programs is sensitive to local concerns

Education and Training

The NADC believes that improvements in education and training are vital to the development of the north. A well-trained workforce is essential if northerners are to take advantage of employment opportunities arising from economic development. Additionally, education improves individual self-worth and contributes positively to the quality-of-life. This latter point is particularly important in northern Alberta where adult illiteracy rates are 50% higher than the provincial average.

Northern Priorities

- development of coordinated programs to improve the delivery and effectiveness of literacy training
- establishment of undergraduate degree granting programs at northern colleges and universities
- expanded distance education programs including development of innovative techniques for delivery to smaller northern communities
- continuation and expansion of financial assistance programs to help northerners achieve their educational goals

Community Recreation

The NADC has received numerous briefs in recent years on the need for improved community recreation programs and services. It is Council's belief that as the north matures, greater emphasis must fall on improving local recreation. High quality recreation programs and services are essential for enhancing the quality-of-life in many northern communities.

The high cost of building and operating facilities is a major impediment to improving recreation services. Small communities generally lack the financial resources to support facilities that compare with larger centres. The absence of these facilities is frequently cited as a cause of out-migration and an impediment to attracting new residents.

Northern Priorities

- increased efforts to promote sub-regional approaches for funding recreation facilities and programs
- special attention into ways that local recreation programs and services can best be delivered to small communities and rural municipalities

Native Communities

The NADC views full participation of natives in the northern economy as a vital step in meeting the development needs of their communities. This can only be achieved if sustained efforts are made to improve cooperation and understanding between natives and non-natives. These initiatives must be based on the

recognition that efforts to promote native development are a shared responsibility.

The NADC recognizes that there are no simple solutions to the complex social issues affecting many native communities. However, continued efforts to expand native control over delivery of native programs and services is essential.

Northern Priorities

- fair resolution of existing land claims
- expansion of local employment initiatives and business development programs that assist natives to become full partners in development
- examination of housing issues with the goal of assisting native communities to resolve their housing problems

Youth

Many development issues facing northern Alberta have a direct impact on northern youth. Northerners are increasingly concerned about the community effects of youth out-migration. The NADC recognizes the complexity of the factors responsible for youth out-migration. They range from a desire to pursue employment and education opportunities outside the region to lifestyle issues related to living in northern communities.

The NADC believes that more work must be done to better understand the needs and concerns of northern youth. This includes research into the causes of youth out-migration as well as efforts to incorporate youth concerns into development decisions.

Northern Priorities

- research into factors that contribute to youth out-migration
- greater efforts to ensure that needs and concerns of youth are fully considered in community and regional development

Environmental Protection and Enhancement

The NADC believes that sound environmental management is a fundamental part of development policy. Part of the challenge for ensuring that environmental concerns are fully considered is in designing public processes responsive to the needs of each project. Council sees the establishment of an independent public agency, such as the Natural Resources Conservation Board, as a progressive approach for assessing the impacts from environmentally sensitive non-energy projects. Independent public review helps ensure that environmental issues are dealt with openly and in a manner that is both fair and balanced.

In addition to public review, sound environmental management also means that adequate resources be made available to enforce environmental standards. Strong enforcement provides greater public confidence that regulations are fairly applied to all resource users. The NADC believes that one way to improve the effectiveness of these efforts is to involve representatives of key interests groups in managing the resource.

Finally, northerners recognize that many highly valued natural areas exist in the north. Some of these cannot sustain even a low level of human disturbance. Care must therefore be taken to protect these areas from resource development and other human activities.

Northern Priorities

- increased efforts to inform and educate northerners on environmental issues
- special attention to the long-term effects of resource development on land, water and wildlife
- assurance that forest resources are used wisely and that the best technologies available are used in the forest industry
- support for community initiatives to better manage wastes including establishment of recycling programs and waste reduction strategies
- actions to address drainage and erosion problems affecting agricultural lands

Northern Economy

Northern Alberta is a significant contributor to the economy of both the province and Canada as a whole. The north is exceptionally rich in a variety of natural resources. This diversity has resulted in one of the most broadly based resource economies in Canada. The region is presently a leading supplier of oil and gas as well as a major producer of such agricultural products as oilseeds, barley, oats, honey and livestock. Northern Alberta is currently experiencing an unprecedented expansion in forestry production and efforts are under way to take full advantage of its tourism potential. Traditional industries such as fishing and trapping are also important contributors to northern Alberta's economy.

The north's labor force is reflective of the opportunities that arise from its natural resources. In 1986, 18% of Alberta's primary workforce was located within the NADC boundary. Conversely, northerners make up only 6% of the provincial workforce in manufacturing, finance, insurance and real estate.

Efforts to improve living standards in northern communities are closely linked to efforts to strengthen the northern economy. Many northern communities experience unemployment rates well above the provincial average. In Council's view, attempts to promote economic development should strive to:

- strengthen those businesses and industries that are already part of the region's economic base
- diversify into new industries or products which will bring in new employment and income
- develop service and related industries capable of capturing the benefits from economic development
- ensure that northerners have an opportunity to participate in resource developments
- promote balanced economic growth with respect to both the scale and pace of development

Given these principles, the NADC has identified a number of economic development priorities for seven key sectors of the northern economy. These are outlined below.

Tourism

Northerners have expressed a keen interest in developing the region's tourism potential. Tourism offers an opportunity for many smaller centres to diversify into new economic activities. At present, the infrastructure necessary to support a strong and vibrant tourism industry is not fully developed.

In Council's view, expansion of the north's tourism industry will require increased commitment by both the public and private sectors to develop the necessary facilities and infrastructure. In addition, greater efforts are needed by both sectors to develop tourism markets through coordinated marketing and research.

Northern Priorities

- expansion of tourism infrastructure including improvements in transportation corridors and development of facilities
- increased coordination among communities, government and industry to identify and develop tourism markets
- improved research, marketing, promotion and training to support tourism development efforts
- planning to ensure that the natural resources upon which much of the industry is based are properly protected

Agriculture

The NADC views a strong agricultural sector as essential for maintaining the economic base of many northern communities. Without stabilization of farm incomes and progress in overcoming the artificial imbalance in world agriculture markets, more producers in northern Alberta will go out of business.

Despite these difficulties, northern farmers still enjoy a comparative advantage over other

regions in many agricultural products. The NADC believes that by building on these strengths, the long-term prospects for the industry are good. Moreover, maintaining and even expanding the agriculture industry is vital for diversifying the economy and creating career opportunities for rural youth.

Northern Priorities

- research, development and marketing of new agricultural products or uses for traditional products
- implementation of cost-effective strategies for dealing with soil erosion in agricultural areas
- development of new approaches to assist farmers develop new products and reduce dependence on off-farm income

Oil & Gas

The oil and gas industry is a major contributor to the economy of the region and the province as a whole. All of Alberta's oil sands production lies north of the NADC boundary. The region also accounts for 35% of Alberta's crude oil reserves and 6% of marketable gas reserves.

Depressed energy prices during the 1980s resulted in a decline in exploration and a delay in planned projects. A number of northern communities have been adversely affected by the reduction in oil and gas activity. Despite these setbacks, there are still significant opportunities for new oil and gas developments in the region.

Northern Priorities

- more consultation and cooperation among communities, industry and government concerning potential oil and gas projects
- more secondary processing facilities within the region
- promotion of small-scale energy projects

Forestry

The forest industry in northern Alberta is in a period of unprecedented growth. Because of its impact on land, water and wildlife, the development of northern Alberta's forest industry has received widespread attention from both inside and outside the region. Much of this has centred on the establishment of new pulp mills in the NADC area.

The forests of northern Alberta represent one of the region's truly renewable resources. Maintaining the industry will require ongoing efforts to develop regional expertise in reforestation and its associated technologies.

Northern Priorities

- increased emphasis on value-added processing including production of paper and specialty wood products
- development of strategies to enable small and medium-sized forest producers to continue to develop
- increased efforts to ensure environmental concerns are adequately addressed in forest development

Fishing

Northern Alberta contains some of the province's most highly valued fishing lakes. Three-quarters of Alberta's commercial harvest comes from within the NADC area. The fishery is also a vital source of income to northern businesses that cater to sports fishermen. In addition, the fishery serves as an important recreational opportunity for northerners and a food source for many native and non-native communities.

In recent years, over-fishing has caused a decline in fish stocks in many northern Alberta lakes. These problems are particularly evident in the Lakeland region.

Northern Priorities

- improvements in fisheries regulation, licencing and enforcement to better balance supply with demand
- efforts to ensure that fisheries management decisions are sensitive to local needs and concerns
- special attention on improving the amount of biological information available on the resource
- efforts to enhance fish stocks on lakes that have been over-fished

Wildlife Industries

Wildlife resources are a major contributor to the economies of many of Alberta's northern communities. Northern wildlife supports both traditional occupations such as commercial hunting and trapping and new industries such as guiding and outfitting.

In recent years, the non-consumptive value of wildlife has been increasingly recognized. Wildlife viewing is seen as an important component to the development of the northern tourism industry. At the same time, commercial hunting and trapping continues to be vital to both the incomes and lifestyles of many native and non-native communities.

Northern Priorities

- integrated planning to make sure resource development, including new road construction, does not harm wildlife
- increased efforts to ensure that resource industries that negatively affect the trapping industry share in compensation programs

Small Business

The NADC views small business as playing a crucial part in capturing economic benefits from development. In many cases, these businesses are involved in developing new products or services that help to diversify the region's economy.

Apart from economic benefits, small businesses also make a positive contribution to life in northern communities. Often, a single small business is the only source of a particular good or service in a community. Moreover, small businesses in the north are frequently major contributors to community events and projects.

Northern Priorities

- maintenance and expansion of financial and technical assistance programs that enable small businesses to take advantage of local development opportunities
- greater efforts to improve local expertise in marketing products and services outside the region
- continued efforts to educate northerners on the importance of supporting small businesses in their communities

Northern Infrastructure

Infrastructure development in the north is a major priority of the NADC. Improvements in infrastructure have positive impacts on both the economy and the well-being of residents. Significant advances were made in the last 20 years in de-isolating many northern communities. Basic services such as water and sewage have also been expanded and improved. Despite these efforts, there are still needs to be met in the coming decade.

Northern Priorities

- improvements in existing highway corridors including hard-topping of tourism routes
- improvements in east-west road transportation links
- de-isolation of remote communities not served by an all-weather highway
- research into water and sewage needs of northern communities particularly as they relate to community growth and changing environmental standards
- actions regarding the telecommunication needs of remote communities
- ongoing programs to assist small communities to develop basic infrastructure

Northern Alberta into the '90s

The NADC is optimistic that the development priorities described in this position paper will be acted upon in the next few years. This optimism is based on the belief that greater communication among communities, government and business will result in effective approaches for addressing the region's needs. The NADC will continue to work on behalf of northerners to support and foster these communication links.